State of Utah

GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

Department of Workforce Services

KRISTEN COX
Executive Director

GREGORY B. GARDNER
Deputy Director

JON S. PIERPONT
Deputy Director

For 9:00 a.m. Release
May 19, 2011
Contact: Mark Knold 801-526-9458

UTAH'S EMPLOYMENT SUMMARY: APRIL 2011

Utah Labor Market Indicators

April 2011

Employment % Change: 1.6%
Employment # Change: 18,900
Unemployment Rate: 7.4%

United States

Employment Change: 1.1%
Unemployment Rate: 9.0%

Statistics generated by the U.S. Bureau of Labor Statistics, Washington, D.C., derived from monthly employer and household surveys.

SALT LAKE CITY—Utah's nonfarm wage and salaried job count for April 2011 expanded by 1.6 percent compared to April 2010. This is a 12-month increase of 18,900 jobs, and raises total wage and salary employment to 1,200,400.

The seasonally adjusted unemployment rate, Utah's other primary indicator of current labor market conditions also generated by BLS, registered 7.4 percent. Last April, the state's rate was 7.9 percent, thus representing a 0.5 percentage-point decline over the past 12 months. Approximately 100,000 Utahns are considered unemployed. The United States unemployment rate, compared to last month, has moved up two-tenths of a point to 9.0 percent.

Recovery from the past recession remains a slow and lethargic process not only here in Utah, but across the nation as well. The Utah economy is still not operating with any sort of independence from the national economy. In other words, the national economic pressures or constraints are also the same pressures and constraints that the Utah economy faces. Therefore, the various Utah-specific economic and demographic variables that oftentimes push Utah's economy to a higher plane stand little chance of being unleashed until the national pressures ease. Housing, high commodity prices, and government budget constraints are major headwinds working against the economy, but they are currently being countered (to a modest degree) by rising consumer and business confidence, job layoffs trending downward, and easing credit restrictions.

But a 'healing" economic recovery really boils down to the housing market. It was housing that announced this recession, and it will be housing that will declare its consequences are over. For this to happen the marketplace must establish a bottom for falling home prices, draw down foreclosure activities, absorb any excess inventory, and push housing starts above current levels where they begin to stimulate a rebound in construction jobs. The economy can grow without new construction jobs, but we need construction growth to push overall economic growth above and beyond 3 percent in order to aggressively replace lost jobs, decrease the ranks of the unemployed, and increase tax revenues for beleaguered state and local governments.

Fortunately the construction industry's worst days are behind it, but employment levels have yet to make any kind of healing rebound. Utah construction jobs have increased by 900 over the past 12 months, but keep in mind that this rise is off of a rock bottom loss of some 40,000 construction jobs over the past three-plus years. The industry does not need those 40,000 jobs to return to be healthy. It can be argued that it was an excess of jobs that made it unhealthy in the first place. Historically, construction accounts for around 6 percent of the Utah employment base. At the height of the construction boom in 2007, that proportion had risen to over 8 percent. In hindsight, we will have to label that as both unsustainable and unhealthy.

Currently, construction has receded to around 5.5 percent of Utah's employment foundation. This implies there is room for construction's job share to move higher to regain its potential contribution. But it doesn't have to increase dramatically to do that (about 5,000 additional construction jobs would get this industry back to approximating a 6-percent employment share). Going forward, if the Utah economy were to return to its long-term 3.2-percent annual overall growth rate, and construction re-established and maintained its 6-percent share of overall employment, it would take approximately 13 years to replace those departed 40,000 jobs. That offers some perspective as to how inflated the construction industry had become in Utah.

How could Utah increase its construction employment level so far above it historic norm? By borrowing workers from elsewhere. Many of the homebuilding workers of the recent boom were transitory, out-of-state types who came here for a job. Many of them have since left. The point is that Utah does not need to re-create 40,000 construction jobs to re-employ 40,000 unemployed Utah construction workers. Utah only needs enough new jobs to re-employ the idled that remain.

The manufacturing industry experienced a heavy employment loss during the recession, but its current performance shows these losses are in the past. This industry is once again growing in Utah, and the current month's survey suggests an increase of roughly 4,600 new positions over the past year. This survey estimation is probably a bit optimistic (possibly by as much as half), but encouragement should be taken nonetheless that this industry—one of the harder hit industries during the recession—is showing a significant rebound in employment.

The trade and transportation sector measured a year-over gain of 3,600 positions. This may be another industry whose results are somewhat overstated, but again, there is growth here, and growth in this industry is encouraging as it is one of the major areas that responds to increased consumer spending, an activity that accounts for close to 70 percent of the economy's performance.

The professional and business services sector is the most robust industry, adding over 5,300 new jobs over the past year. Employment flowing through temporary help and employment services is a major contributing factor here, as these industries generally see an increase in traffic in the early stages of an economic expansion. But there is also significant employment gains registered in business support services and in the high-paying professional, scientific, and technical area.

The education and healthcare sector remains an employment stalwart, adding 3,500 new jobs over the past 12 months. Population growth and demographic factors are the main drivers of this sector, with minor impact from the overall economy. Both population growth and the down economy have fueled more students to enter the higher education system. Population increase is the main growth mechanism behind the healthcare industry's expansion.

*** Utah's May employment information will be released at 9:00 a.m. on Thursday, June 16, 2011.**

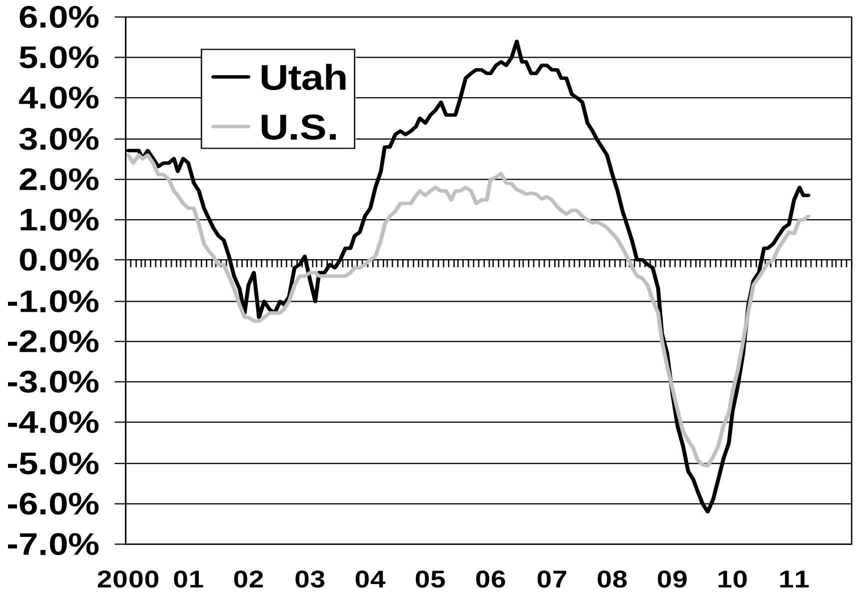
*** County unemployment rates for April will be posted on or shortly after May 23 at http://jobs.utah.gov/opencms/wi/pubs/une/season.pdf**

Utah Nonagricultural Jobs by Industry and Components of the Labor Force

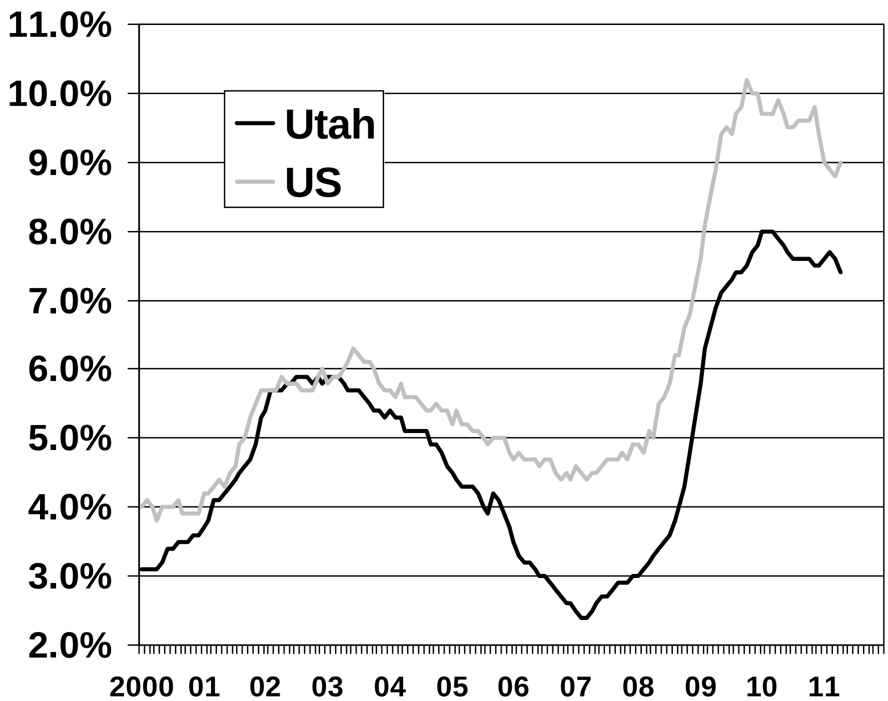
Numbers are in thousands	Apr.(p) 2011	Apr.[r] 2010	Percentage Change	Mar.(r) 2011	Mar.[r] 2010	Percentage Change
CIVILIAN LABOR FORCE (seasonally-adjusted)	**1,358.6**	**1,375.9**	**-1.3**	**1,357.2**	**1,378.3**	**-1.5**
Employed	1,258.6	1,267.4	-0.7	1,254.2	1,268.4	-1.1
Unemployed	100.0	108.5	-7.8	103.0	109.9	-6.3
Unemployment Rate	7.4	7.9		7.6	8.0	
NONAGRICULTURAL EMPLOYMENT (Thousands)	**1,200.4**	**1,181.5**	**1.6**	**1,187.6**	**1,168.5**	**1.6**
Not seasonally-adjusted						
GOODS PRODUCING	**189.4**	**183.3**	**3.3**	**184.2**	**179.6**	**2.6**
Natural Resources, and Mining	**10.8**	**10.2**	**5.1**	**10.6**	**9.9**	**6.3**
Construction	**63.6**	**62.7**	**1.5**	**59.8**	**60.4**	**-0.9**
Construction of Buildings	12.0	12.3	-2.4	11.0	12.0	-7.8
Heavy and Civil Engineering	10.2	8.3	23.0	9.3	7.8	19.0
Specialty Trade Contractors	41.3	42.0	-1.7	39.5	40.6	-2.7
Manufacturing	**115.0**	**110.4**	**4.2**	**113.9**	**109.3**	**4.2**
Durable Goods	**75.8**	**71.2**	**6.3**	**74.2**	**70.6**	**5.1**
Primary and Fabricated Metals	15.1	14.6	3.4	14.9	14.6	1.5
Computer and Electronic Products	13.8	13.0	5.6	13.7	12.9	6.4
Transportation and Equipment Manufacturing	10.5	11.2	-5.8	10.5	11.1	-5.4
Non-Durable Goods	**39.3**	**39.2**	**0.2**	**39.7**	**38.7**	**2.5**
SERVICES PROVIDING	**1,011.0**	**998.1**	**1.3**	**1,003.4**	**988.9**	**1.5**
Trade, Transportation, and Utilities	**230.4**	**226.7**	**1.6**	**227.8**	**225.9**	**0.9**
Wholesale Trade	**44.7**	**43.8**	**2.1**	**44.4**	**43.6**	**1.9**
Retail Trade	**138.2**	**136.4**	**1.3**	**136.3**	**135.7**	**0.5**
Motor Vehicle and Parts Dealers	15.7	15.9	-1.3	15.6	15.8	-1.3
Food and Beverage Stores	22.5	22.6	-0.2	22.5	22.8	-1.6
General Merchandise Stores	29.0	28.3	2.5	28.6	28.3	1.0
Transportation and Utilities	**47.4**	**46.5**	**1.9**	**47.0**	**46.6**	**1.0**
Utilities	4.1	4.1	-1.0	4.1	4.1	-1.0
Transportation & Warehousing	43.4	42.4	2.2	43.0	42.5	1.2
Air Transportation	6.7	6.5	3.0	6.7	6.3	6.1
Truck Transportation	17.6	17.1	3.0	17.5	16.9	3.3
Information	**29.8**	**29.4**	**1.4**	**28.9**	**29.3**	**-1.2**
Publishing Industries	9.0	9.1	-1.0	8.9	9.0	-1.4
Motion Picture and Sound Recording	3.5	4.2	-16.0	3.2	3.9	-17.7
Telecommunications	4.5	4.6	-1.6	4.6	4.7	-0.9
Internet Service Providers	7.2	6.5	10.7	7.1	6.6	7.5
Financial Activities	**66.6**	**67.8**	**-1.7**	**66.5**	**68.1**	**-2.5**
Finance and Insurance	50.8	51.4	-1.2	50.8	51.9	-2.2
Real Estate and Rental and Leasing	15.8	16.3	-3.4	15.7	16.2	-3.4
Professional and Business Services	**156.2**	**150.9**	**3.5**	**154.3**	**147.9**	**4.4**
Professional, Scientific, and Technical Services	67.5	65.7	2.8	67.2	65.0	3.5
Architectural, Engineering, and Related	12.0	12.1	-0.5	11.9	12.1	-1.8
Computer Systems Design and Related	15.7	14.9	5.3	15.5	14.7	5.6
Management of Companies and Enterprises	18.1	18.6	-2.7	18.2	18.6	-2.2
Administration & Support & Waste Management & Remediation	70.6	66.6	5.9	68.9	64.3	7.1
Employment Services	19.9	17.9	11.1	20.4	17.8	14.4
Business Support Services	16.1	15.7	3.0	16.2	15.8	2.6
Education and Health Services	**159.9**	**156.4**	**2.3**	**159.7**	**156.0**	**2.4**
Educational Services	37.9	36.3	4.6	37.9	36.3	4.3
Health Services and Social Assistance	122.0	120.1	1.6	121.8	119.7	1.8
Ambulatory Health Care Services	50.1	49.0	2.3	50.5	48.9	3.3
Hospitals	32.3	32.2	0.4	32.1	32.3	-0.6
Nursing and Residential Care Facilities	22.5	22.1	1.9	22.4	22.0	1.9
Social Assistance	17.0	16.8	1.5	16.8	16.5	1.6
Leisure and Hospitality	**112.8**	**113.0**	**-0.2**	**112.5**	**109.8**	**2.5**
Arts, Entertainment, and Recreation	18.7	19.2	-2.7	18.6	17.5	6.3
Accommodation and Food Services	94.1	93.8	0.3	93.9	92.3	1.7
Accommodation	17.7	18.1	-2.1	17.7	18.0	-1.8
Food Services and Drinking Places	76.4	75.7	0.9	76.2	74.3	2.6
Other Services	**34.5**	**33.5**	**2.9**	**34.0**	**33.6**	**1.1**
Government	**220.9**	**220.5**	**0.2**	**219.7**	**218.3**	**0.6**
Federal Government	**37.0**	**38.2**	**-3.1**	**36.4**	**36.7**	**-0.8**
Federal Defense	16.6	16.3	2.0	16.7	16.3	2.8
Other Federal Government	20.3	21.8	-7.0	19.7	20.5	-3.8
State Government	**67.2**	**65.4**	**2.6**	**67.2**	**65.5**	**2.6**
State Schools	39.9	37.7	5.8	39.9	37.8	5.7
Other State Government	27.2	27.7	-1.7	27.3	27.7	-1.5
Local Government	**116.8**	**116.8**	**-0.1**	**116.0**	**116.1**	**-0.1**
Local Education	67.2	67.4	-0.3	67.8	68.0	-0.2
Other Local Government	49.6	49.5	0.3	48.2	48.1	0.1

Source: U.S. Bureau of Labor Statistics p = preliminary r = revised   May 19, 2011

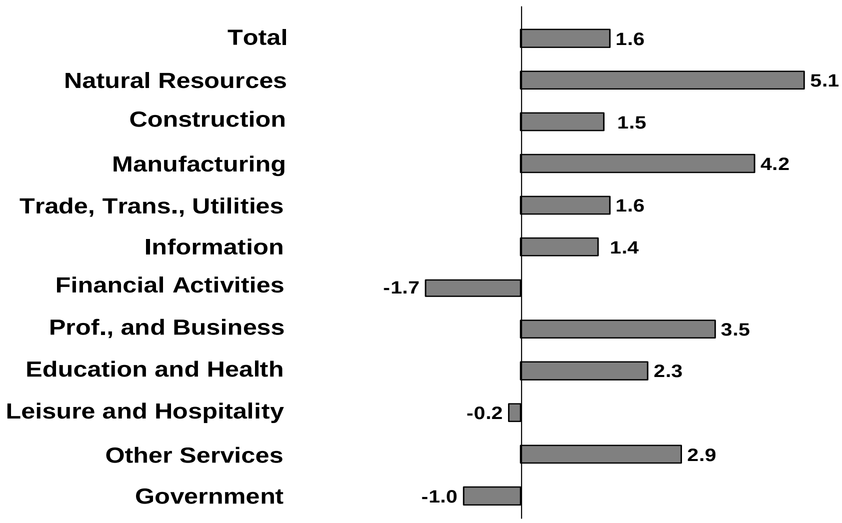
Year-Over Percent Change in Nonfarm Jobs



Seasonally Adjusted Unemployment Rates

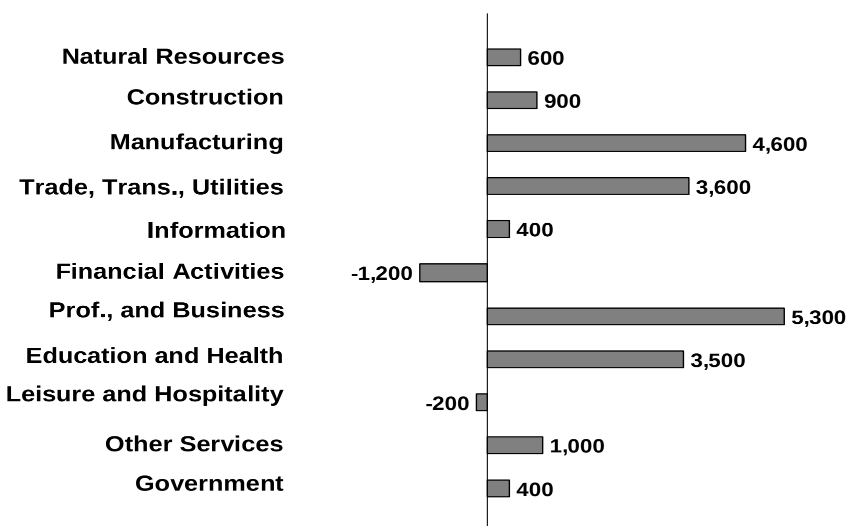


Utah Nonfarm Industry Profile (Percent Change)
April 2010 - 2011



Source: U.S. Bureau of Labor Statistics

Utah Nonfarm Industry Profile (Numeric Change)
April 2010 - 2011



Source: U.S. Bureau of Labor Statistics

NONFARM EMPLOYMENT IN UTAH'S COUNTIES

	April 2011 *Estimate*	April 2010 *Actual*	Percent Change	March 2011 *Estimate*	February 2011 *Estimate*
BEAVER	2,042	1,965	3.9	2,061	2,012
BOX ELDER	16,657	17,222	-3.3	16,501	16,534
CACHE	49,893	49,844	0.1	49,685	49,750
CARBON	9,691	9,457	2.5	9,500	9,448
DAGGETT	392	404	-3.0	362	346
DAVIS	101,274	99,971	1.3	99,394	98,404
DUCHESNE	7,743	7,348	5.4	7,513	7,427
EMERY	3,912	3,901	0.3	3,848	3,632
GARFIELD	2,468	2,433	1.4	1,926	1,867
GRAND	4,782	4,736	1.0	4,256	3,669
IRON	15,161	15,315	-1.0	14,952	15,061
JUAB	3,151	3,277	-3.9	3,042	2,982
KANE	2,903	2,940	-1.3	2,653	2,509
MILLARD	3,979	3,888	2.3	3,977	3,963
MORGAN	1,842	1,841	0.0	1,789	1,765
PIUTE	267	282	-5.1	274	268
RICH	524	541	-3.1	483	474
SALT LAKE	575,450	568,202	1.3	574,233	571,470
SAN JUAN	4,234	4,268	-0.8	3,999	3,844
SANPETE	6,867	7,043	-2.5	6,881	6,821
SEVIER	7,877	7,689	2.4	7,792	7,706
SUMMIT	22,999	21,904	5.0	24,367	24,774
TOOELE	16,020	15,610	2.6	15,652	15,542
UINTAH	14,149	13,132	7.7	13,752	13,652
UTAH	178,914	175,352	2.0	176,812	175,508
WASATCH	5,865	5,676	3.3	5,828	5,861
WASHINGTON	46,664	46,012	1.4	46,012	45,200
WAYNE	1,041	1,076	-3.3	906	861
WEBER	89,637	90,201	-0.6	89,147	88,677

Note: Numbers have been left unrounded for convenience rather than to denote accuracy.
Note: Employment numbers are not seasonally adjusted. Therefore, comparisons of employment levels from one month to the next should not be used as job creation/loss estimates between those months. Seasonal factors could be the reason. For example, employment levels in September are usually higher than in August, as school employment resumes.
Source: Utah Department of Workforce Services, Workforce Research and Analysis, 5/19/11